

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIRMAN ROSALIE (ROSIE) BUZZAS**, on April 19, 2005 at 11:30 A.M., in Room 102 Capitol.

#### **ROLL CALL**

##### **Members Present:**

Rep. Rosalie (Rosie) Buzzas, Chairman (D)  
Rep. Carol C. Juneau, Vice Chairman (D)  
Rep. John E. Witt, Vice Chairman (R)  
Rep. Tim Callahan (D)  
Rep. Eve Franklin (D)  
Rep. Bill E. Glaser (R)  
Rep. Ray Hawk (R)  
Rep. Cynthia Hiner (D)  
Rep. Verdell Jackson (R)  
Rep. Joey Jayne (D)  
Rep. Christine Kaufmann (D)  
Rep. Walter McNutt (R)  
Rep. Penny Morgan (R)  
Rep. John L. Musgrove (D)  
Rep. Rick Ripley (R)  
Rep. Jon C. Sesso (D)  
Rep. John Sinrud (R)  
Rep. Janna Taylor (R)  
Rep. Jack Wells (R)

**Members Excused:** Rep. Ralph L. Lenhart (D)

**Members Absent:** None.

**Staff Present:** Marcy McLean, Committee Secretary  
Jon Moe, Legislative Branch

**Please Note.** These are summary minutes. Testimony and discussion are paraphrased and condensed.

##### **Committee Business Summary:**

Hearing & Date Posted: SB 526, 4/19/2005  
Executive Action: SB 526

HEARING ON SB 526Opening Statement by Sponsor:

**SEN. JOHN COBB, SD 9, Augusta,** opened the hearing on **SB 526**, a bill to revise the expenditure limit to exclude ballot issue dedications and provider taxes. He said this bill was brought forth at the request of the Senate Finance and Claims Committee. (NOTE: Sen. Cobb got called out of hearing.)

[EXHIBIT \(aph84a01\)](#)

Proponents' Testimony: None

Opponents' Testimony: None

Questions from Committee Members and Responses:

**REP. SINRUD** asked for information on the amount of money involved in ballot initiatives and utilization fees. **Jon Moe, Legislative Fiscal Division**, in referring to Exhibit 1, said the money from the utilization fees and I-149 would total \$85.6 million. An additional \$7.1 million would come from I-146, but since it is both an income and an expenses, it would result in a net zero.

*{Tape: 1; Side: A; Approx. Time Counter: 0 - 3.1; Comments: Sen. Cobb returned to hearing.}*

**REP. KAUFMANN** asked **SEN. COBB** to provide more information on his bill.

**SEN. COBB** said when the expenditure cap was passed in 1981, it excluded eight spending expenditures; SB 526 would add as exemptions money dedicated to a specific use by a ballot issue and utilization fees imposed on health care providers. The big issue in the Senate discussion of SB 526 was protecting Montana taxpayers from growth in state government, particularly in the General Fund. The provider taxes don't really affect the taxpayers; in fact, they are a benefit to taxpayers because they help to generate more federal funds. Senators said if SB 526 only included the utilization fees and not the ballot issues, it would probably pass. **SEN. COBB** said when the voters approve a ballot initiative, they are affecting the legislative budgets because the initiatives can put the budget over the expenditure cap. It was suggested that perhaps a ballot initiative should contain language that it will not apply against the cap.

*{Tape: 1; Side: A; Approx. Time Counter: 3.1 - 8.7}*

**REP. JAYNE** said voters should have been given notice that the initiative they were voting on would be outside of the expenditure cap.

**CHAIRMAN BUZZAS** said that prior to this session nobody knew that the expenditure cap was going to be an issue. Therefore, there was no intent to hide anything from the voters.

**REP. JACKSON** said he thought the utilization fees and the ballot issue money are completely different and should be separated. The initiative process, as it continues, is going to be a major problem for future legislatures. It can result in a democracy where the majority is exercising their power over the minority.

*{Tape: 1; Side: A; Approx. Time Counter: 8.7 - 17.6}*

**EXECUTIVE ACTION ON SB 526**

**Motion/Vote:** **REP. JUNEAU** moved that SB 526 DO PASS. Motion failed 10-10 by roll call vote with **REP. BUZZAS**, **REP. CALLAHAN**, **REP. FRANKLIN**, **REP. HINER**, **REP. JAYNE**, **REP. JUNEAU**, **REP. KAUFMANN**, **REP. LENHART**, **REP. MUSGROVE**, and **REP. SESSO** voting aye. **REP. LENHART** voted by proxy.

**ADJOURNMENT**

Adjournment: 11:58 A.M.

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REP. ROSALIE (ROSIE) BUZZAS, Chairman

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MARCY MCLEAN, Secretary

RB/mm

Additional Exhibits:

**EXHIBIT ([aph84aad0.PDF](#))**